



**FOR IMMEDIATE RELEASE**

**ADA-ES Files Air Permit Application for New Activated Carbon Manufacturing Facility in Louisiana**

**New Facility is Key to Meeting the Needs of the Growing Utility Mercury Control Market**

Littleton, CO – August 2, 2007 – ADA-ES, Inc. (NASDAQ: ADES) announced that its wholly-owned subsidiary, Red River Environmental Products, LLC (RREP) has filed the air permit application with the Louisiana Department of Environmental Quality (LDEQ) to build what would be the world's largest activated carbon (AC) production facility. The permit application, which is required to begin construction of the new plant, covers two production lines capable of producing up to a total of 350 million pounds of AC per year. ADA-ES plans to file additional permits for similar facilities in North Dakota through other wholly-owned subsidiaries in the next few months.

RREP has secured the rights to acquire property in Red River Parish, LA adjacent to an active lignite coal mine, which is expected to provide the primary raw material for the manufacturing process, thereby minimizing transportation costs for the coal substrate needed to produce AC. In this regard, ADA-ES has signed a Reserve Dedication Agreement with the mine which guarantees a supply of the lignite coal needed to produce AC for the next 20 years.

Over the past six months, the Company has made significant progress with its plans to develop AC production plants, enabling the project to stay on an aggressive schedule to meet the anticipated increased demand for AC, which the Company predicts will reach an additional 400 million pounds per year by 2010, and up to a billion pounds per year by 2012 to 2015. Recent awards of contracts to ADA-ES and other suppliers for equipment to inject AC at power plants for mercury control continue to validate the projected size of this market. Obtaining the operating permits and securing financing in the first quarter of 2008 would allow ADA-ES to begin construction at that time, enabling AC production to meet anticipated 2010 market timing.

These large-scale production facilities are being designed to maximize efficiency and produce the most cost-effective AC product for the mercury control market. In addition, ADA-ES believes the facility will be the most environmentally friendly AC production plant ever built. Air emissions will be minimized by way of state-of-the art emissions control systems considered best available control technology, which includes a low-NO<sub>x</sub> afterburner, flue gas recirculation, selective non-catalytic reduction, and a spray-dryer/fabric filter combination. RREP will also be voluntarily installing activated carbon injection for mercury capture at the plant. These technologies in combination provide high levels of control for oxides of nitrogen, sulfur dioxide, other acid gases, volatile organic compounds, carbon monoxide, particulate matter, opacity and mercury. In addition, unlike other AC production plants, the ADA plants will incorporate over \$50 million in capital equipment to recover waste heat energy and produce power, thereby minimizing the carbon dioxide profile of the plant.

The permit time lines and overall business environment will dictate whether this facility in Louisiana or one of the facilities in North Dakota will be chosen as the first to be built. ADA-ES' first production line is expected to produce enough activated carbon annually to reduce mercury emissions at approximately 10% of current U.S. coal-fired generating capacity. ADA-ES will continue to evaluate the market for the activated carbon product, and will use that information to determine the timing for additional plants needed to meet this market. Assuming completion of the new facility, ADA-ES anticipates that it will assume a leadership role in the manufacture of activated carbon for mercury reduction in the coal-fired power industry.

A project of this size will capitalize on the Company's position as a market leader in providing mercury control equipment and engineering services for utilities operating coal-fired boilers. By maintaining an aggressive construction schedule, the Company expects to synchronize production of AC with the expected growth in the AC market. Because of the advanced stage of this project, ADA-ES is currently marketing long-term supply contracts for this critical component for reducing mercury emissions from coal-fired boilers. The Company is also negotiating with key financial sources for this project to secure the financing that will be necessary to complete the project, which is expected to include a combination of debt and equity funding of approximately \$260 million for a single production line. To supply at least a portion of the capital it believes it will have to contribute to the project, ADA-ES has filed a shelf registration with the United States Securities and Exchange Commission to sell up to 3 million shares of ADA-ES common stock. The terms on which the share may be sold will be determined at the time the shares are sold. The Company is also negotiating with strategic partners in the energy industry to provide additional equity and strengthen the financial resources of the project team.

### **About ADA-ES**

Headquartered in Littleton, CO, ADA-ES is a leader in clean coal technology and the associated specialty chemicals. The Company develops and implements proprietary environmental technology and specialty chemicals that enable coal-fueled power plants to enhance existing air pollution control equipment, maximize capacity and improve operating efficiencies. Through its largest and fastest-growing segment, Mercury Emission Control, ADA-ES supplies activated carbon injection systems, mercury measurement instrumentation, and related services. Additionally, the Company is implementing plans to produce and supply activated carbon.

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which provide a "safe harbor" for such statements in certain circumstances. Such statements are prefaced by words such as "anticipates," "believes," "hopes," "expects," "intends" and "plans," or words of similar meaning. The forward-looking statements contained in this release include: our expectations concerning the growth of the market for mercury control and the size of that market; our perceptions of the Company's position in that market; our plans for expansion of our capabilities to serve that market; our ability to surmount technical obstacles in achieving improved mercury reduction with our technologies, our ability to finance the development of multiple activated carbon facilities, and our ability to attract adequate numbers of skilled personnel. Such statements involve significant risks and uncertainties, which could cause actual events or results to differ materially from those discussed in the forward-looking statements as a result of various factors, including, but not limited to, changing economic conditions and market demand for ADA-ES' products and services,*

*changes in technology, failure to satisfy performance guarantees, the availability of federal funding, the availability of either private and/or public funding on reasonable terms; changes in laws or regulations, results of demonstrations of the Company's and other licensed technologies, operational difficulties, availability of skilled personnel, and other factors we discuss in greater detail in our filings with the U.S. Securities and Exchange Commission. The forward looking statements contained in this press release are presented as of the date hereof, and we disclaim any duty to update such statements unless required by law to do so.*

**Contact:**

ADA-ES, Inc.

Michael D. Durham, Ph.D., MBA, President

Mark H. McKinnies, Senior VP & CFO

(303) 734-1727

[www.adaes.com](http://www.adaes.com)

-or-

Investor Relations Counsel

The Equity Group Inc.

[www.theequitygroup.com](http://www.theequitygroup.com)

Loren Mortman, (212) 836-9604

[LMortman@equityny.com](mailto:LMortman@equityny.com)